

peanuts as quota commercial or contract additional peanuts. Such collections shall be made in accordance with the requirements of part 729 of this title. A collection is considered to have been made at the time of marketing the peanuts. Each collection shall be sent to the county FSA office which issued the marketing card and, unless otherwise approved by the Executive Vice President, CCC, shall be sent within 15 days after the collection is made.

(b) *Loan peanuts.* Withholdings from the loan value due a producer which represent collections of marketing penalties, peanut poundage quota liens or U.S. claims shall be transmitted or handled in accordance with instructions issued by the marketing association or CCC.

Subpart C—Warehouse Storage Loans

§ 1446.301 Eligibility of peanuts for price support at the quota loan rate.

For peanuts to be eligible for a price support loan at the quota loan rate such peanuts:

- (a) Must be eligible peanuts that were produced by an eligible producer;
- (b) Must be Segregation 1 peanuts;
- (c) If mechanically dried, must contain at least 6 percent moisture;
- (d) Must not contain more than:
 - (1) 10.49 percent moisture;
 - (2) 10 percent foreign material; or
 - (3) 14.49 percent LSK's;
- (e) When added to prior marketing of quota peanuts from the farm, must not exceed the effective quota established for the farm on which such peanuts were produced.

§ 1446.302 Eligibility of peanuts for price support at the additional loan rate.

(a) *General.* For peanuts to be eligible for a price support loan at the additional loan rate, such peanuts:

- (1) Must be eligible peanuts that were produced by an eligible producer;
- (2) must not contain more than:
 - (i) 10.49 percent moisture;
 - (ii) 10 percent foreign material; or
 - (iii) 14.49 percent LSK's.

(b) *Exception to general requirements.* Notwithstanding the provisions in paragraph (a) of this section:

(1) *Seed peanuts.* Peanuts that were produced for seed under the auspices of a State agency that controls the production of seed peanuts may receive a price support loan at the additional loan rate if:

(i) Such peanuts are eligible peanuts that were produced by an eligible producer; and

(ii) In accordance with this part, the handler purchases the peanuts from the loan inventory for domestic seed use in accordance with this part.

(2) *Peanuts with excess moisture, foreign material, or LSK's.* Peanuts that contain excessive moisture, foreign material, and/or LSK's may receive a price support loan at the additional loan rate if the marketing association determines:

(i) That the moisture level is acceptable for storage until such peanuts may be crushed; and

(ii) That the producer made a bona fide effort to clean such peanuts prior to offering such peanuts as collateral for a price support loan.

§ 1446.303 Delivery of peanuts for price support advance.

(a) *Warehouse storage loans.* Any warehouse operator who has entered into a contract with the marketing association to receive and store peanuts shall inform producers that price support advances are available and shall make such advances on eligible peanuts tendered for price support as provided in such contract.

(b) *Where available.* Unless otherwise approved by the marketing association or by CCC, producers must deliver farmers stock peanuts to any participating warehouse that is located in the same marketing area in which the peanuts were produced. The names and locations of participating warehouses may be obtained from the office of the appropriate marketing association or from State or county FSA offices.

(c) *Contract requirements.* Any contract for receiving and storing peanuts pledged as collateral for a price support loan shall require the warehouse operator to: